

9 MAY 1978

MEMORANDUM FOR: Deputy Director for Administration

VIA: Director of Logistics  
Chief, Real Estate and Construction  
Division, OL

FROM:   
Deputy Chief, Real Estate and  
Construction Division, OL

SUBJECT: Additional Cost Savings for Proposed  
Consolidation of CIA/DIA Facilities

REFERENCE: Memo dtd 3 Nov 77 to DCI fm AC/RECD/OL,  
subject: Additional Information Regarding  
Collocation of CIA/DIA Facilities  
(OL 7 5024)

1. Confirming our conversation of 8 May, the following one-time savings may be attributed to the proposed consolidation in addition to the \$2,000,000 savings for Automatic Data Processing costs cited in the referent:

Library facilities	\$2,808,000
Cafeteria facilities	1,000,000
Printing plant	1,360,000
Printing equipment	<u>702,000</u>
Total	\$5,870,000

The total library savings are calculated based on a projected savings of 26,000 square feet as cited in Attachment 5 to the referent and using DIA's projected gross construction cost of \$108 per square foot. Cafeteria savings are based on the assumption that budgeted DIA costs for a new cafeteria can be reduced by approximately 25 percent if some DIA personnel make use of the existing CIA cafeteria. The increased use of the CIA cafeteria would be approximately 10 percent above existing

OL 8 2739

SUBJECT: Additional Cost Savings for Proposed Consolidation  
of CIA/DIA Facilities

levels. The printing plant and printing equipment savings are based on the conclusion contained in Attachment 6 of the referent that DIA printing requirements can be accommodated within the facilities and using the equipment presently available in the CIA printing plant. The facilities cost cited equals that budgeted by DIA for their proposed printing plant while the equipment cost equals the estimated value of the printing equipment currently in use by DIA.

2. I have not been able to quantify any increase in the annual savings associated with the proposed consolidation over the \$600,000 to \$700,000 cited in the referent simply because the various office representatives, with whom I worked in the preparation of the referent, feel that without lengthy, detailed discussions with DIA, particularly with regard to the number of positions which could be eliminated, they cannot make a valid estimate of savings. It is these annual savings, however, that will have the greatest impact on the long term cost-effectiveness of the project. If you would like us to work with DIA to obtain this information, we will do so; but, in view of their most recent letter to the Director of Central Intelligence rejecting the concept of the consolidation, I will not attempt to initiate discussions with them without your approval. If you would like me to pursue this further, please let me know.





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DD/A Registry  
78-0094/3

27 APR 1978

MEMORANDUM FOR: Director of Central Intelligence  
VIA: Deputy Director of Central Intelligence  
FROM: John F. Blake  
Deputy Director for Administration  
SUBJECT: DIA Building Location

1. Action Requested: None; for information only.

2. Background: With regard to your memorandum on your conversation with the Deputy Secretary of Defense on collocation of a DIA building at Langley, I have requested [ ] of Logistics (the author of our original study) to provide detail on your questions. As he has noted in his conclusion, this is a complex issue and estimates of time requirements are speculative at best. If you wish, I can task the Office of Logistics and appropriate staffs to provide further detail.

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Signed: John F. Blake

John F. Blake

Att

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Director of Logistics

26 APR 1978

Date

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OL 8 1748a

26 APR 1978

25X1

MEMORANDUM FOR: Deputy Director for Administration

VIA: Director of Logistics

FROM:   
Deputy Chief, Real Estate and Construction  
Division, OL

SUBJECT: DIA Building Location

REFERENCES: (a) Memo dtd 20 Apr 78 to DDA fr DCI,  
same subject (ER 78-1219; DD/A 78-  
0094/2; OL 8 1748)

(b) Memo dtd 3 Nov 77 to DCI fr DC/RECD/OL,  
subject: Additional Information  
Regarding Relocation of CIA/DIA  
Facilities (OL 7 5024)

1. In the recent discussion between the DCI and the Secretary of Defense concerning the DIA Building location, several questions were raised about which the DCI requested further information. The questions are restated and answered below:

a. Question: The Secretary of Defense's staff indicated that it will now take three years to get all the clearances to build in Langley. Please check what they said when we did the original study on this.

Answer: The original study, dated 7 October 1977, and jointly prepared by CIA and DIA (subsequently, at the request of the DCI, superseded by reference (b)) indicated that the construction of the DIA Building at Langley "... would delay the DIA project several years while the necessary engineering analyses and, more importantly, Government approvals were obtained." This statement was based on DIA's experience at Bolling (wherein approximately six years were required to obtain these approvals, albeit with several redirections of the entire project) and GSA's advice that 18 months

OL 8 1798

SUBJECT: DIA Building Location

is the average time for such approvals. CIA's subsequent study (reference (b)) indicated that if, through the DCI's direct involvement, it could be ensured that Congressional approval and funding and local governmental approvals could all be obtained within a maximum of nine months, the project could be completed by 1982, the then projected DIA project completion date.

b. Question: Outline for me the steps that we would have to go through to get permission to put the DIA Building in Langley and what are my extraordinary authorities in this regard.

Answer: Three basic steps are required: funding and project approval, regulatory agency and public coordination, and design and construction.

(1) Regarding funding and project approval, we believe that as a minimum the full support of the Secretary of Defense and OMB would be required as would the specific approval of Congress. The Office of Legislative Counsel and Comptroller would be in the best position to comment on the specific actions which would be required by each of the parties and, of course, only the DCI is in a position to judge the political feasibility of the proposal.

(2) Regarding regulatory agency and public coordination, as a minimum it would be necessary to coordinate with the Environmental Protection Agency, Council on Environmental Quality, National Capital Planning Commission, Housing and Urban Development, GSA, Fairfax County, Commonwealth of Virginia, and a number of private citizens groups. Of particular concern are delays which might result because of legal actions initiated by affected private citizens or civic groups. The history of the Route 66 Corridor Project is a vivid example of the delays which can result should local government or citizen opposition develop and be pursued within the legal system. Regulatory agency and public coordination must proceed concurrently with project and funding approvals if delays are to be minimized.

SUBJECT: DIA Building Location

(3) Regarding design and construction, normally, and in compliance with legal and procedural guidelines, such activities would be pursued sequentially and contracted for on a formally advertised, firm, fixed-price basis. In order to complete construction within originally estimated time frames, it would be necessary for the Agency to contract directly on a negotiated, sole source basis for both design and construction, thus permitting these activities to proceed concurrently. Overt CIA construction of the magnitude and type envisioned at Langley would normally be the prerogative of the Administrator of GSA. Based upon certification of operational necessity, it might be possible to bypass GSA citing the DCI's unique authorities permitting expenditure of funds without regard to the provisions of law and regulations as contained in Sections 8.a. and 8.b. of the CIA Act of 1949. This would, of course, have to be confirmed by the Office of General Counsel (OGC). If utilization of these DCI extraordinary authorities is not considered feasible, then previous experience would indicate that direct Congressional or Presidential participation is required. This conclusion is based upon experience with construction of the Headquarters Building itself (in which Congress directly authorized methods of funding and construction) and the conversion of [ ] NPIC activities (in which direct Presidential intervention permitted extraordinary contractual procedures). 25X1

2. The above is a succinct summary of a legally and politically complex issue. The Office of Logistics, in concert with OGC and other staff elements, can provide further detail as required.

[ ] 25X1

Att:  
Reference (a)

26 APR 1978

MEMORANDUM FOR: Director of Logistics

FROM:

[REDACTED]  
Deputy Chief, Real Estate and Construction  
Division, OL

SUBJECT: Status of DIA/CIA Consolidation Study

In discussions with [REDACTED] DIA, on 24 April 1978<sup>25X1</sup>  
he advised that:

a. Although retired from active duty as of 31 December 1977, he has been retained by DoD, on contract, to continue to act as focal point officer for the duration of the project.

b. On 19 April the DCI and SecDef met to discuss the project but essentially "agreed to disagree." The DCI was described (undoubtedly several times removed from the source) as being "adamant and implacable."

c. Pending agreement by the DCI and SecDef on a location for the building, Representative McKay, Chairman, Military Construction Appropriations Committee, has refused to provide funds for the completion of design, and, as a result, the A-E has demobilized. Thirty percent drawings were completed prior to demobilization.

d. A status briefing on the project has been scheduled for General Tighe, Director of DIA, on 26 April. It is understood that General Tighe continues to support the resumption of design for Bolling at the earliest possible date.

e. DIA and the "whole Defense staff" formally recommended to the SecDef that the proposed building be constructed at Bolling rather than Langley and prepared a letter from the SecDef to the DCI stating same (the SecDef is apparently holding the letter since it was prepared some time ago).

[REDACTED] 25X1

[REDACTED] 25X1

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3	EO/OL	25 JAN 1978	g
4	AEO/OL	25 JAN 1978	mw
5	RECD	1/26	A.T.C.
6	Proj File Please		
ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
<b>Remarks:</b> 1. I called [ ] of DIA today, 25 Jan 25X1 uary 78, and he reports there has been no change in the status of the project as described in my attached note to you, dated 5 January 78, except as follows: (a) DIA has not been successful in getting the design funds, described in Para 1b released but they are still working on it. (b) The Executive Plan Group meeting planned for 20 January has now been deferred to 2 February. 2. I conveyed the substance on the DCI's note to [ ] and he will attempt to attain informa- tion from DIA principals that might be related to			
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FROM: NAME, ADDRESS AND PHONE NO.			DATE
DC/RECD/OL 2F09 Page [ ]			25 Jan 25X1
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(40)



the meeting between the DCI and the Secretary  
of Defense.

*He has not heard about  
the meeting.*

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NOTE FOR: Director of Logistics  
SUBJECT: Status of DIA/CIA Collocation